

2008 FEB -5 PM 2:05

Notice of Rulemaking Hearing
Department of Commerce and Insurance
Board of Licensing Contractors

FS 01-20-08

DBD 816-817

There will be a hearing before the Board of Licensing Contractors to consider the promulgation of rules pursuant to Tenn. Code Ann. §62-6-108. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-204, and will take place at the Davy Crockett Tower, Room 160, 500 James Robertson Parkway, Nashville, Tennessee 37243 at 9:00 a.m. on the 26th day of March, 2008.

Any individuals with disabilities who wish to participate in these proceedings (to review these filings) should contact the Department of Commerce and Insurance to discuss any auxiliary aids of services needed to facilitate such participation. Such initial contact may be made no less than ten (10) days prior to the scheduled meeting date (the date the party intends to review such filings), to allow time for the Department of Commerce and Insurance to determine how it may reasonably provide such aid or service. Initial contact may be made with Don Coleman, the Department's ADA Coordinator, at 500 James Robertson Parkway, 5th Floor, Nashville, Tennessee 37243 at (615) 741-0481.

For a copy of this notice of rulemaking hearing, contact Carolyn Lazenby, Executive Director of the Board of Licensing Contractors at 500 James Robertson Parkway, Davy Crockett Tower, 1st Floor, Nashville, Tennessee 37243, telephone (615) 741-8307.

Substance of Proposed Rules

Chapter 0680-1
Licensing

Amendments

0680-1-.10 Renewal of Licenses.

Any person, firm or corporation desiring to renew a license shall make application to the Board on the prescribed forms. A renewal application for a monetary limitation greater than one million five hundred thousand dollars (\$1,500,000) must be accompanied by a reviewed or audited financial statement prepared by a licensed accountant. If a renewal applicant requests a monetary limitation of one million five hundred thousand dollars (\$1,500,000) or less, he or she may submit a notarized statement that the information contained in his or her financial statement is true and correct.

Authority: Tenn. Code Ann. §§ 62-6-108, 62-6-111, and 62-6-116.

0680-1-.14 Request for Change of Classification or Limitation

(2) A request for a change in monetary limitation to be less than one million five hundred thousand dollars (\$1,500,000) shall be reviewed or audited by a licensed accountant or certified public accountant. A request for a change in monetary limitation to more than one million five hundred thousand dollars (\$1,500,000) shall be audited and attested to by a licensed public accountant or certified public accountant.

Authority: Tenn. Code Ann. §§ 62-6-108 and 62-6-111.

Chapter 0680-6
General Liability Insurance

New Rules

Table of Contents

0680-6-.01 Definitions
0680-6-.02 Amount of Insurance
0680-6-.03 Proof of Insurance

0680-6-.01 Definitions.

- (1) "Applicant" means an individual or entity who/that is applying for a home improvement contractor license or a general contractor license with the Board.
- (2) "Board" means the board for licensing contractors created by Tenn. Code Ann. § 62-6-104.
- (3) "General Liability Insurance" means an insurance policy providing insurance coverage for negligent acts or other acts of the principal insured or the principal insured's agents or employees, operating in the course and scope of the agency or employment.
- (4) "Licensee" means an individual or entity who/that is licensed with the Board as a home improvement contractor or a general contractor.

Authority: Tenn. Code Ann. §§ 62-6-108, 62-6-111(a)(1) and 62-6-506(b)(5).

0680-6-.02 Amount of Insurance.

- (1) Board licensees and applicants shall maintain general liability insurance as follows:
 - (a) In the case of all home improvement contractor applicants or licensees, or if a general contractor applicant's or a licensee's monetary limit is between the amounts of zero dollars (\$0) and five hundred thousand dollars (\$500,000), then the applicant or licensee shall obtain a general liability insurance policy in an amount not less than one hundred thousand dollars (\$100,000).
 - (b) If an applicant's or a licensee's monetary limit is between the amounts of five hundred thousand one dollar (\$500,001) and one million five hundred thousand dollars (\$1,500,000), then the applicant or licensee shall obtain a general liability insurance policy in an amount not less than five hundred thousand dollars (\$500,000).
 - (c) If an applicant's or a licensee's monetary limit is one million five hundred thousand one dollar (\$1,500,001) or more, then the applicant or licensee shall obtain a general liability insurance policy in an amount of not less than one million dollars (\$1,000,000).

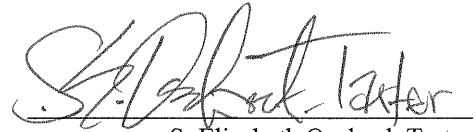
Authority: Tenn. Code Ann. §§ 62-6-108, 62-6-111(a)(1) and 62-6-506(b)(5).

0680-6-.03 Proof of Insurance.

- (1) Applicants shall provide the Board with a copy of a certificate of insurance upon applying for licensure with the Board as proof of having obtained a general liability insurance policy.
- (2) Licensees shall provide the Board with a copy of a certificate of insurance upon renewing his/her/its license as proof of having maintained a general liability insurance policy.
- (3) Applicants and licensees shall name the Board as the certificate holder on the general liability insurance policy.

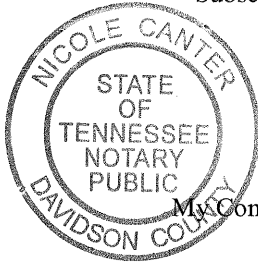
Authority: Tenn. Code Ann. §§ 62-6-108, 62-6-111(a)(1) and 62-6-506(b)(5).

I certify that this is an accurate and complete representation of the intent and scope of the rulemaking proposed by the Board of Licensing Contractors.



S. Elizabeth Oschack Tarter
Counsel for Board for Licensing Contractors
Department of Commerce and Insurance

Subscribed and sworn to before me this 31 day of January, 2008.



My Commission
Expires
September 25, 2010



Notary Public

My Commission expires on the 25 day of September, 2010.

The notice of rulemaking hearing set out herein was properly filed in the Department of State on this the 31 day of Jan., 2008.



Riley C. Darnell
Secretary of State

By: 

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